



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-955]

Certain Magnesia Carbon Bricks from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review; 2012

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the countervailing duty order on certain magnesia carbon bricks (MCBs) from the People's Republic of China (PRC), covering the period of review (POR) January 1, 2012, through December 31, 2012. We preliminarily determine that the application of adverse facts available (AFA) to the sole mandatory respondent, Fengchi Imp. and Exp. Co., Ltd. of Haicheng City and Fengchi Refractories Co., of Haicheng City (collectively, Fengchi), and the Government of the PRC (GOC), is necessary because they failed to cooperate to the best of their ability in this proceeding. The Department also preliminarily finds that certain companies made no shipments of subject merchandise to the United States during the POR. Interested parties are invited to comment on these preliminary results.

DATES: EFFECTIVE DATE: **[INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*.]**

FOR FURTHER INFORMATION CONTACT: Brandon Steele, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4956.

Scope of the Order

The merchandise subject to the order includes certain MCBs. Certain MCBs that are the subject of this order are currently classifiable under the following subheadings of the Harmonized Tariff Schedule of the United States (HTSUS): 6902.10.1000, 6902.10.5000, 66815.91.0000, 6815.99.2000, and 6815.99.4000. Although the HTSUS numbers are provided for convenience and customs purposes, the written product description remains dispositive. A full description of the scope of the order is contained in the memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, “Decision Memorandum for the Preliminary Results of the Countervailing Duty Administrative Review of Certain Magnesia Carbon Bricks from the People’s Republic of China,” dated concurrently with and hereby adopted by this notice (Preliminary Decision Memorandum).

The Preliminary Decision Memorandum is a public document and is made available to the public via Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at <https://iaaccess.trade.gov>, and is available to all parties in the Department’s Central Records Unit, located in room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be found at <http://enforcement.trade.gov/frn/>. The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Preliminary Determination of No Shipments

On December 13, 2013, the Department received timely no shipment certifications from RHI AG and its affiliates: Liaoning RHI Jinding Magnesia Co.; RHI Refractories (Dalian) Co.

Ltd.; RHI Refractories Liaoning Co., Ltd.; RHI Trading Shanghai Branch; and RHI Trading (Dalian) Co., Ltd. (collectively, the RHI Companies).¹ Because there is no evidence on the record to indicate that these companies had sales of subject merchandise during the POR, we preliminarily determine that the RHI Companies had no shipments during the POR. As a result, pursuant to 19 CFR 351.213(d)(3), the Department intends to rescind the review with respect to the RHI Companies. However, the Department finds that it is not appropriate to rescind the review with respect to the RHI Companies at this time; instead, consistent with our practice, the Department will complete the review with respect to the RHI Companies and issue appropriate instructions to U.S. Customs and Border Protection (CBP) based on the final results of the review.² Information on the record shows that Fengchi did have sales of subject merchandise during the POR.³

Methodology

The Department conducted this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each subsidy program under review, we preliminarily determine there are countervailable subsidies, *i.e.*, that there is a government-provided financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.⁴ In making these findings, we relied on AFA for Fengchi, because it did not act to the

¹ See the December 13, 2013, Letter to the Secretary, “Certain Magnesia Carbon Bricks from China: Notice of No Sales.” In our *Initiation Notice*, we stated that any company named in the notice of initiation that had no exports, sales, or entries during the POR must notify the Department within 60 days of publication of the notice in the *Federal Register*. See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 78 FR 67104, 67104 (November 8, 2013) (*Initiation Notice*).

² See, e.g., *Magnesium Metal from the Russian Federation: Preliminary Results of Antidumping Duty Administrative Review*, 75 FR 26922, 26923 (May 12, 2010), unchanged in *Magnesium Metal From the Russian Federation: Final Results of Antidumping Duty Administrative Review*, 75 FR 56989 (September 17, 2010).

³ See the January 13, 2014, Memorandum to the File, “Certain Magnesia Carbon Bricks from the People’s Republic of China: Customs Data of U.S. Imports of Magnesia Carbon Bricks.”

⁴ See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and, section 771(5A) of the Act regarding specificity.

best of its ability to respond to our request for information; as such, we drew an adverse inference in selecting among the facts available.⁵

With respect to the remaining companies for which we initiated reviews and that did not file no-shipment certifications, we will assign to entries made by these companies the all-others rate from the investigation. Accordingly, and consistent with section 705(c)(5)(A)(ii) of the Act, we relied upon the all others rate from the investigation because the rate calculated for the sole mandatory respondent in these preliminary results of review is based entirely upon facts available. We consider the use of the all others rate from the investigation, which was based upon a calculated rate for one of the mandatory respondents in the investigation, to be a “reasonable method” for calculating the all others rate because it represents the only rate in the history of the countervailing duty order on MCBs from the PRC that is not zero, *de minimis*, or based entirely upon facts available.⁶

Preliminary Results of Review

We preliminarily determine the following margins exist for the POR:

Company	<i>Ad Valorem</i> Net Subsidy Rate (Percent)
Fengchi Imp. and Exp. Co., Ltd. of Haicheng City and Fengchi Refractories Co., of Haicheng City (collectively, Fengchi)	66.27
Rate Applicable to the Remaining Companies Under Review ⁷	24.24

⁵ See sections 776(a) and (b) of the Act.

⁶ For a list of topics discussed in the Preliminary Decision Memorandum, see Appendix I. For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum.

⁷ See Appendix II.

Disclosure and Public Comment

We will disclose the calculations to parties in this proceeding within five days of the date of publication of this notice in the *Federal Register* in accordance with 19 CFR 351.224(b). Interested parties may submit written comments (case briefs) for this administrative review no later than 30 days from the date of publication of this *Federal Register* notice, and rebuttal comments (rebuttal briefs) within five days after the time limit for filing case briefs.⁸ Rebuttal briefs must be limited to issues raised in the case briefs.⁹ Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹⁰

Interested parties who wish to request a hearing, or to participate in a hearing if one is requested, must file electronically a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the publication of this notice in the *Federal Register*.¹¹ Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. If a request for a hearing is made, we intend to hold it at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Parties are reminded that briefs and hearing requests are to be filed electronically using IA ACCESS, and that electronically filed documents must be received successfully in their entirety by 5 p.m. Eastern Time on the due date.

⁸ See 19 CFR 351.309(c)(1)(ii) and 19 CFR 351.309(d)(1).

⁹ See 19 CFR 351.309(d)(2).

¹⁰ See 19 CFR 351.309(c)(2) and 19 CFR 351.309(d)(2).

¹¹ See 19 CFR 351.310(c).

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act, we will issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their comments, within 120 days after issuance of these preliminary results.

Assessment Rates and Cash Deposit Requirements

In accordance with 19 CFR 351.221(b)(4)(i), we assigned a subsidy rate for each producer/exporter subject to this administrative review. Upon issuance of the final results, the Department shall determine, and CBP shall assess, countervailing duties on all appropriate entries covered by this review. We intend to issue instructions to CBP 15 days after publication of the final results of review.

Pursuant to section 751(a)(2)(C) of the Act, the Department also intends to instruct CBP to collect cash deposits of estimated countervailing duties, in the amounts shown above for each of the respective companies shown above, on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits at the most-recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

These preliminary results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: June 2, 2014.

Paul Piquado,
Assistant Secretary
for Enforcement and Compliance.

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Discussion of the Methodology
- V. Recommendation

Appendix II

List of Remaining Companies Under Review

ANH (Xinyi) Refractories Co. Ltd
Anyang Rongzhu Silicon Industry Co., Ltd
Bayuquan Refractories Co., Ltd
Beijing Tianxing Ceramic Fiber Composite Materials Corp
Changxing Magnesium Furnace Charge Co., Ltd
Changxing Wangfa Architectural & Metallurgical Materials Co., Ltd
Changzing Zhicheng Refractory Material Factory
China Metallurgical Raw Material Beijing Company
China Quantai Metallurgical (Beijing) Engineering & Science Co., Ltd
Cimm Group of China
CNBM International Corporation
Dalian Dalmond Trading Co., Ltd
Dalian F.T.Z. Huaxin International
Dalian F.T.Z. Maylong Resources Co., Ltd
Dalian Huayu Refractories International Co., Ltd
Dalian LST Metallurgy Co., Ltd
Dalian Masoo International Trading
Dalian Mayerton Refractories Ltd
Dalian Morgan Refractories Ltd
Dashiqiao Bozhong Mineral Products Co., Ltd
Dashiqiao City Guangcheng Refractory Co., Ltd
Dashiqiao Jia Sheng Mining Co., Ltd
Dashiqiao RongXing Refractory Material Co., Ltd
Dashiqiao Sanqiang Refractory Material Co., Ltd
Dashiqiao Yutong Packing Factory
Dengfeng Desheng Refractory Co., Ltd
DFL Minmet Refractories Corp
Duferco BarInvest SA Beijing Office

Duferco Ironet Shanghai Representative Office
 Eastern Industries & Trading Co., Ltd
 Fengchi Mining Co., Ltd of Haicheng City
 Fengchi Refractories Corp
 Haicheng City Qunli Mining Co., Ltd
 Haicheng City Xiyang Import & Export Corporation
 Haicheng Donghe Taidi Refractory Co., Ltd
 Haicheng Ruitong Mining Co., Ltd
 Haiyuan Talc Powder Manufacture Factory
 Henan Boma Co. Ltd
 Henan Kingway Chemicals Co., Ltd
 Henan Tagore Refractories Co., Ltd
 Henan Xinmi Changzixing Refractories, Co., Ltd
 Hebei Qinghe Refractory Group Co. Ltd
 Huailin Refractories (Dashiqiao) Pte. Ltd
 Hualude Hardware Products Co. Ltd
 Jiangsu Sujia Group New Materials Co., Ltd
 Jiangsu Sujia Joint-Stock Co., Ltd
 Jinan Forever Imp. & Exp. Trading Co., Ltd
 Jinan Linqun Imp. & Exp. Co. Ltd
 Jinan Ludong Refractory Co., Ltd
 Kosmokrafft Refractory Limited
 Kuehne & Nagel Ltd. Dalian Branch Office
 Lechang City Guangdong Province SongXin Refractories Co., Ltd
 Liaoning Fucheng Refractories Group Co., Ltd
 Liaoning Fucheng Special Refractory Co., Ltd
 Liaoning Jiayi Metals & Minerals Ltd
 Liaoning Jinding Magnesite Group
 Liaoning Mayerton Refractories Co., Ltd
 Liaoning Mineral & Metallurgy Group Co., Ltd
 Liaoning Qunyi Group Refractories Co., Ltd
 Liaoning Qunyi Trade Co., Ltd
 Liaoning RHI Jinding Magnesium Co., Ltd
 LiShuang Refractory Industrial Co., Ltd
 Lithomelt Co., Ltd
 Luheng Refractory Co., Ltd
 Luoyang Refractory Group Co., Ltd
 Mayerton Refractories
 Minsource International Ltd
 Minteq International Inc
 National Minerals Co., Ltd
 North Refractories Co., Ltd
 Orestar Metals & Minerals Co., Ltd
 Oreworld Trade (Tangshan) Co., Ltd
 Puyang Refractories Co., Ltd
 Qingdao Almatiss Co., Ltd. (HQ)

Qingdao Almatris Co., Ltd. (Manufacturing)
 Qingdao Almatris Trading Co., Ltd. (Sales Office)
 Qingdao Blueshell Import & Export Corp
 Qingdao Fujing Group Co., Ltd
 Qingdao Huierde International Trade Co., Ltd
 RHI Refractories (Dalian) Co., Ltd
 RHI Refractories Liaoning Co., Ltd
 RHI Trading Shanghai Branch
 RHI Trading (Dalian) Co., Ltd
 Rongyuan Magnesite Co., Ltd. of Dashiqiao City
 Shandong Cambridge International Trade Inc
 Shandong Lunai Kiln Refractories Co., Ltd
 Shandong Refractories Corp
 Shanxi Dajin International (Group) Co., Ltd
 Shanxi Xinrong International Trade Co. Ltd
 Shenyang Yi Xin Sheng Lai Refractory Materials Co., Ltd
 Shinagawa Rongyuan Refractories Co., Ltd
 Sinosteel Corporation
 SMMC Group Co., Ltd
 Tangshan Success Import & Export Trading Co., Ltd
 Tianjin New Century Refractories, Ltd
 Tianjin New World Import & Export Trading Co., Ltd
 Tianjin Weiyuan Refractory Co., Ltd
 Vesuvius Advanced Ceramics (Suzhou) Co. Ltd
 Wonjin Refractories Co., Ltd
 Xiyuan Xingquan Forsterite Co., Ltd
 Yanshi City Guangming High-Tech Refractories Products Co., Ltd
 YHS Minerals Co., Ltd
 Yingkou Bayuquan Refractories Co., Ltd
 Yingkou Dalmond Refractories Co., Ltd
 Yingkou Guangyang Refractories Co., Ltd
 Yingkou Guangyang Refractories Co., Ltd. (YGR)
 Yingkou Heping Samwha Minerals Co., Ltd
 Yingkou Jiahe Refractories Co., Ltd
 Yingkou Jinlong Refractories Group
 Yingkou Kyushu Refractories Co., Ltd
 Yingkou New Century Refractories Ltd
 Yingkou Qinghua Group Imp. & Exp. Co., Ltd
 Yingkou Qinghua Refractories Co., Ltd
 Yingkou Sanhua Refractory Materials Co., Ltd
 Yingkou Tianrun Refractory Co., Ltd
 Yingkou Wonjin Refractory Material Co., Ltd
 Yingkou Yongji Mag Refractory, Ltd
 Yixing Runlong Trade Co., Ltd
 Yixing Xinwei Leeshing Refractory Materials Co., Ltd
 Yixing Zhenqiu Charging Ltd

Zhejiang Changxing Guangming Special Refractory Material Foundry, Co., Ltd
Zhejiang Deqing Jinlei Refractory Co., Ltd
Zhejiang Huzhou Fuzilin Refractory Metals Group Co., Ltd
Zhengzhou Anec Industrial Co., Ltd
Zhengzhou Huachen Refractory Co., Ltd
Zhengzhou Huawei Refractories Co., Ltd
Zibo Lianzhu Refractory Materials Co., Ltd

[FR Doc. 2014-13259 Filed 06/06/2014 at 8:45 am; Publication Date: 06/09/2014]